GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Industrial Promotion – Extension of certain incentives under Industrial Development Policy (IDP) 2015-20 to M/s. Divi's Laboratories Ltd., to set-up an Active Pharmaceutical Ingredients unit in Ontimamidi (Kona) village, Kakinada with an investment of Rs. 290 crores in the 1st phase and Rs. 500 crores in the 2nd phase – Orders- Issued.

INDUSTRIES & COMMERCE (P& I) DEPARTMENT

G.O.MS.No. 46 Dated:15-07-2015

Read the following:-

1. From M/s. Divi's Laboratories Ltd., Dharam Karan Road, Ameerpet, Hyderabad, Letter Dt:05.01.2015.
2. State Investment Promotion Committee Meeting held on 22.06.2015.
3. State Investment Promotion Board Meeting held on 22.06.2015.

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O R D E R:-

In the letter 1st read above, M/s. Divi's Laboratories Limited proposes to set-up an Active Pharmaceutical Ingredients unit in Ontimamidi (Kona) Village, Kakinada with an investment of Rs. 290 crore in the 1st phase and Rs. 500 crore in the 2nd phase with a potential to create employment to 4,800 people. The Company has requested for the following:

(i) Refund of Gross VAT/CST/GST and any other levy in similar nature for 15 years

(ii) 25% Power cost reimbursement

(iii) Exemption from payment of stamp duty, registration charges and developmental charges

(iv) 25% subsidy on specific cleaner production measures

(v) Exemption from any power cuts imposed by Electricity Board

(vi) Exemption from payment of Electricity duty/tax

(vii) Waiver of conversion fee from agricultural lands to Industrial lands

(viii) All other incentives as per the industrial policy in force at present

(ix) Designate APIIC as 'local authority' to obtain all permissions

(x) To set up 132 KVA power substation at Ontimamidi (Kona) village (The unit requires 15000 MVA power)

(xi) Permission to draw 6.5 MLD of water per day and permit to lay pipeline from:

(a) Jammeru Vagu to site
(b) Samarlakota canal to site
(c) Thandava river to site

(xii) Permission to lay pipeline and draw sea water for waste treatment and permit discharge of treated waste water into sea

(xiii) Conversion of single lane road into double lane road as a part of infrastructure upgradation by GoAP between:

(a) Kakinada-Ontimamidi (Kona) Village
(b) Annavaram -Ontimamidi (Kona) Village

(P.T.O)

2. In the reference 2nd read above, the State Investment Promotion Committee (SIPC) has discussed the proposal of M/s. Divi's Laboratories Ltd and decided to place the matter before the SIPB with the following recommendations:

(a) Incentives:

(i) 75 % net VAT/CST/SGST for a period of 7 years or up to 100% fixed capital investment, whichever is earlier.

(ii) All other benefits as per Industrial Development Policy 2015-20

(b) To speed up the 132 KVSS under VCIC Project.

(c) Irrigation Department informed that 6.5 MLD water can be supplied and the company has been advised to submit an application under Single Desk

(d) APPCB to expedite the permission on fast track under Single Desk

(e) Recommended for consideration of the request for connectivity and R&B Department has been requested to take-up the project. However, the expenditure will be met from the IIDF fund of Industries Dept.

3. In the reference 3rd read above, the State Investment Promotion Board (SIPB) have discussed the proposal of M/s. Divi's Laboratories Limited and recommended the following:

(i) 75 % net VAT/CST/SGST for a period of 7 years or up to 100% fixed capital investment, whichever is earlier. This benefit will be made available to the unit after reaching the investment threshold of Rs. 500 crores

(i) Reimbursement of conversion fee from Agricultural lands to Industrial lands.

(ii) All other benefits as per Industrial Development Policy 2015-20.

(iii) Energy and Industries Departments have been advised to fast track setting up of 132 KVA power substation at Ontimamidi (Kona) Village under VCIC.

(iv) Industries and Irrigation to expedite the permission to draw 6.5 MLD of water per day.

(v) APPCB to expedite the permission to lay pipeline and draw sea water for waste treatment and permit discharge of treated waste water into sea.

(vi) The proposed 4 lane road from Kakinada – Visakhapatnam via Uppada (beach road) should be extended to KSEZ and connecting it to National Highway. The Secretary, Industries Department has been advised to finalize the proposal in consultation with Prl. Secretary, R & B Department.

4. Government after careful examination of the recommendations of the State Investment Promotion Board, hereby extend the following package of incentives to M/s. Divi's Laboratories Ltd., for setting up an Active Pharmaceutical Ingredients unit in Ontimamidi (Kona) Village, Kakinada with an investment of Rs. 290 crore in the 1st phase and Rs. 500 crore in the 2nd phase:-

(i) 75 % net VAT/CST/SGST for a period of 7 years or up to 100% fixed capital investment, whichever is earlier. This benefit will be made available to the unit after reaching the investment limit of Rs. 500 crores

(ii) Reimbursement of conversion fee from Agricultural lands to Industrial lands.

(iii) All other benefits as per Industrial Development Policy 2015-20.

5. The Energy Department is requested to fast track the process the of setting up of 132 KVA power substation at Ontimamidi(Kona) Village under VCIC.

6. The Water Resources Department is requested to expedite the permission to draw 6.5 MLD of water per day.

(Contd.)

7. Andhra Pradesh Pollution Control Board is directed to expedite the permission to lay pipeline and draw sea water for waste treatment and permit discharge of treated waste water into sea.

8. The Director of Industries, Hyderabad shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.S. RAWAT
SECRETARY TO GOVERNMENT & CIP

To
The Director of Industries, A.P., Hyderabad.
M/s. Divi's Laboratories Ltd., Dharam Karan Road, Ameerpet, Hyderabad
through the Director of Industries, AP, Hyderabad.
The Water Resources Department
The TR & B Department.
The Member Secretary, AP Pollution Control Board.
Copy to:
The Revenue (CT) Department.
The Revenue (Registration) Department.
The Ind. & Com. (Inra) Department.
The Law (H) Department.
The Accountant General, Andhra Pradesh, Hyderabad
The Commissioner of Commercial Taxes, Hyderabad
P.S. to Principal Secretary to Chief Minister
P.S. to Chief Secretary to Government
P.S. to Secretary to Government & CIP, I & C Dept.
SC/SF.

//FORWARDED:: BY ORDER//

SECTION OFFICER